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No. 06-1455

IN THE

Supreme Court of the United States

EML TECHNOLOGIES, LLC,
and
COSTCO WHOLESALE CORPORATION,

Petitioners,

v.

DESA IP, LLC,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

BRIEF IN OPPOSITION

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QUESTION [*Purportedly*] PRESENTED

Whether the Court of Appeals for the Federal Circuit should give deference to a district court's factual determinations when reviewing that court's claim construction.

RULE 29.6 STATEMENT

Respondent, DESA IP, LLC, is a wholly owned subsidiary of DESA, LLC, and no publicly held company owns 10% or more of its stock.

TABLE OF CONTENTS

Page

QUESTION [*Purportedly*] PRESENTED i

RULE 29.6 STATEMENT ii

TABLE OF CONTENTS iii

TABLE OF CITED AUTHORITIES v

OPPOSITION TO PETITIONER'S STATEMENT OF THE CASE 1

SUMMARY OF OPPOSITION ARGUMENT 2

REASONS FOR DENYING THE PETITION 3

I. Petitioners Did Not Raise Their "Deference" Argument in the Court of Appeals, so it Cannot be Considered by This Court. 3

A. Petitioners Did Not Raise the "Rule Involved" Before the Federal Circuit. 3

B. Petitioners Did Not Challenge the Standard of Review in the Federal Circuit. 3

C. Petitioners Cannot Obtain Review of an Issue Raised for the First Time on Petition for Writ of Certiorari. 4

Contents

Page

D. In Any Event, No Deference is Due the District Court Because it Made No Findings, and its Reading of the Specification of the Patent-in-Suit is Demonstrably Incorrect. 5

II. This Court Should Not Entertain Review of an Important Precedent as Posed in the Question Presented Based on Arguments Never Raised or Considered Below. 6

III. The Petition Asks This Court to Review "Scientific Fact" Contrary to this Court's Rules Governing Content of a Petition for Writ of Certiorari. 7

CONCLUSION 9

TABLE OF CITED AUTHORITIES

Cases: *Page*

ACTV, Inc. v. Walt Disney Co.,
346 F.3d 1082 (Fed. Cir. 2003) 1

Cybor Corp. v. FATS Technologies, Inc.,
138 F.3d 1448 (Fed. Cir. 1998)(*en banc*) 3

Festo Corp. v. Shoketsu Kinzoku kogyu Kabushiki Co.,
535 U.S. 722 (2002) 6

KSR International Co. v. Teleflex, Inc.,
550 U.S. ___ (No. 04-1350, April 30, 2007) 4

Markman v. Westview Instruments, Inc.,
52 F.3d 967 (Fed. Cir. 1995),
aff'd 517 U.S. 370 (1996) 1, 6

Phillips v. AWH Corp.,
415 F.3d 1303 (Fed. Cir. 2005) (*en banc*),
cert. denied, 546 U.S. 1170 (2006) 8

Warner-Jenkinson Co. v. Hilton Davis Chem. Co.,
520 U.S. 17 (1997) 6

WMS Gaming, Inc. v. Int'l Game Tech.,
184 F.3d 1339 (Fed. Cir. 1999) 1

Cited Authorities

Page

Statutes:

35 U.S.C. § 112, sixth paragraph 1

Rules:

Rules of the Supreme Court the United States,
Rule 10 ..... 7, 8

Fed.R.Civ.P. 52(a) 2, 3, 6

Treatises:

None

Law Review Articles:

None

I

OPPOSITION TO PETITIONER'S STATEMENT OF THE CASE

Straightaway, the Court will note that Respondent DESA IP, LLC ("DESA") has characterized the **Question Presented** in the Petition filed by Petitioners EML Technologies, LLC and Costco Wholesale Corporation as *purported.* This is because Petitioners **never raised** before the Court of Appeals for the Federal Circuit the issue they ask this Court to review.

Petitioners were Defendants in the trial court and Appellees below. In the **Standard of Review** portion of DESA's opening brief to the Federal Circuit, DESA stated,

> This appeal turns on the correctness of the Trial Court's claim construction, an issue of law (*Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 970-71 (Fed. Cir. 1995), *aff'd* 517 U.S. 370 (1996)) which is also reviewed *de novo.*
>
> This appeal also involves, in part, review of the Trial Court's construction under [35 U.S.C. § 112, sixth paragraph] 112/6. Review of the identification of claimed function and determination of corresponding structure for a claim limitation written in means plus function format is *de novo. WMS Gaming, Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1347 (Fed. Cir. 1999); *ACTV, Inc. v. Walt Disney Co.*, 346 F.3d 1082, 1087 (Fed. Cir. 2003).

Brief for Appellant filed in Federal Circuit, p. 34-35.

In their Response Brief to the Federal Circuit, Petitioners as Defendants/Appellees stated,

> Defendants do not dispute DESA's statements regarding the standard of review.

Brief for Appellees filed in Federal Circuit, p. 23.

Further, a review of the Authorities cited by Petitioners in the appellate proceedings below reveals that Rule 52 of the Federal Rules of Civil Procedure, so heavily relied on and resorted to in the Petition, is **nowhere** cited to the Federal Circuit. See Table of Authorities cited by Appellees in their Response Brief to the Federal Circuit; see also Table of Authorities cited by Appellees in their **Petition of Defendants/Appellees EML Technologies, LLC and Costco Wholesale Corporation For Panel Rehearing**.

It is revealing, but hardly surprising, that Petitioners failed to include any of their papers filed in the Federal Circuit with the materials filed in this Court. And, given the actual actions of Petitioners below, perhaps it is also not surprising that the Petition is remarkably vague in pointing to where and how in the Record the Question Presented was presented and preserved for review by this Court. Indeed, the Question Presented here was not presented below.

SUMMARY OF OPPOSITION ARGUMENT

Respondent DESA opposes the Petition on two principal grounds, [1] the Question Presented was not raised below so it cannot now be raised for the first time in this Court ; and [2] the Petition also seeks review of an alleged "Scientific Fact" instead of a Rule of Law.

Further, because the Question Presented has never been fully briefed or the subject of explicative discussion by the Federal Circuit, DESA submits that the Question Presented is not ripe for review by this Court. This is another ground warranting denial of the Petition.

Because the Petition seeks review of an issue not raised below, and in addition does not comport with the Rules of this Court, it should be both rejected and denied.

REASONS FOR DENYING THE PETITION

I. Petitioners Did Not Raise Their "Deference" Argument in the Court of Appeals, so it Cannot be Considered by This Court.

A. *Petitioners Did Not Raise the "Rule Involved" Before the Federal Circuit.*

The primary basis of the Petition is that the Federal Circuit failed to apply the "Rule Involved," Fed.R.Civ.P. 52(a) (Petition ["Pet."], p. 1). Rule 52(a) is cited at least 10 times in the Petition, but was **not cited at all** by Petitioners in the Court of Appeals either in their Response Brief or in their Petition for Rehearing.

B. *Petitioners Did Not Challenge the Standard of Review in the Federal Circuit.*

The Petition is also based on the notion that the Federal Circuit's *de novo* standard of review of district court claim construction rulings as enunciated in *Cybor Corp. v. FATS Technologies, Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) (*en banc*) "has been soundly and repeatedly criticized" (Pet., p. 5).

However, when Petitioners themselves had the opportunity in the Federal Circuit to challenge that standard of review, they launched no such attack. Instead, Petitioners **agreed** with the *de novo* standard of review (Appellees' Brief in Federal Circuit, p. 23).

C. *Petitioners Cannot Obtain Review of an Issue Raised for the First Time on Petition for Writ of Certiorari.*

Petitioners ask this Court to overrule the Federal Circuit's Judgment and Opinion based on arguments never raised below. It is axiomatic that a party cannot raise on appeal an argument not presented below. Yet that is precisely what Petitioners ask in their Petition, apparently in the belief that because the Federal Circuit's practice in patent cases has been "repeatedly criticized by legal scholars" that might be reason enough for this Court to grant review. On the contrary, the requirement that error be properly preserved for review remains a core principle of this Court, including in patent cases. *See e.g., KSR International Co. v. Teleflex, Inc.*, 550 U.S. ___ (No. 04-1350, April 30, 2007), Slip Opinion at p.19 ("This argument was not, however, raised before the District Court"); *see also* Slip Opinion at 20 (issue raised in brief not considered "[i]n light of Teleflex's failure to raise the argument in a clear fashion").

D. *In Any Event, No Deference is Due the District Court Because it Made No Findings, and its Reading of the Specification of the Patent-in-Suit is Demonstrably Incorrect.*

Petitioners bemoan that the Federal Circuit failed to give deference to the district court's alleged "fact finding" (Pet. at pp. 9 - 13). However, even a cursory reading of the district court's oral Markman ruling (Pet., Appendix ["App."] B, pp. 19a - 41a) reveals that the district court made no actual findings of fact, nor did it specifically adopt any testimony, as a predicate component of her Markman ruling. Rather, the district court merely stated "I am going to refer to Dr. Massengill's lettering for this because it seems to be the most consistent" (Pet., App. B, pp. 27a - 28a), and then she announced her construction of the various disputed claim terms. Because the district court made and entered no findings, it would have been, and was, impossible for the Federal Circuit to "defer" to them.

Moreover, in making its "contrary to scientific fact" assertion (*see* Argument III, *infra*), Petitioners ignore both contrary evidence presented by DESA (*e.g.*, as cited at pp. 17 - 21 of DESA's Federal Circuit Opening Brief, and pp. 12 -16 of DESA's Reply Brief) **and** those portions of the Federal Circuit's Opinion pointing out multiple times that the district court departed from Federal Circuit precedent by relying on extrinsic evidence (Pet. App. A, p. 11a) ("Because the intrinsic evidence clearly sets forth the corresponding structure for 'sensor means,' it was improper to rely upon contrary extrinsic evidence [not in the patent] to construe this term." [footnote omitted]); Pet. App. A, p. 13a ("Again, the court erred in relying upon expert testimony that was inconsistent with the intrinsic evidence [of the patent]").

The legal issue Petitioners entreat this Court to address, therefore, can and will have no effect on the judgment in this case, for even under the "clearly erroneous" standard of Rule 52(a), no deference would be due the district court's ignoring the express teachings in the Specification of the patent-in-suit. *See also*, Argument II, immediately *infra*.

II. This Court Should Not Entertain Review of an Important Precedent as Posed in the Question Presented Based on Arguments Never Raised or Considered Below.

As demonstrated, Petitioners' Question Presented sought to be reviewed by the Petition was neither raised in nor considered by any court below. In fact, in the Federal Circuit, Petitioners conceded and agreed to the standard of review they now challenge. Consequently, Petitioners' arguments should be viewed with much suspicion by this Court. Even more important substantively, the issue has never been reviewed, or even considered, by the Court of Appeals. This Court has a history of considering patent law issues only after the Court of Appeals for the Federal Circuit had fully explicated its views on the legal issue reviewed. *See e.g.*, *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996) (legal issue of claim construction reviewed only after the Federal Circuit had issued its *en banc* Opinion); *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997) (doctrine of equivalents reviewed only after Federal Circuit *en banc* Opinion); *Festo Corp. v. Shoketsu Kinzoku kogyu Kabushiki Co.*, 535 U.S. 722 (2002) (prosecution history estoppel reviewed only after Federal Circuit *en banc* opinion).

In short, no matter how eloquently Petitioners' arguments might be stated, the Question Presented is premature and simply not ripe for this Court's review.

III. The Petition Asks This Court to Review "Scientific Fact" Contrary to this Court's Rules Governing Content of a Petition for Writ of Certiorari.

The Rules of this Court state,

> A petition for a writ of certiorari is rarely granted when the asserted error consists of erroneous factual findings or the misapplication of a properly stated rule of law.

Supreme Court Rule 10. Yet Petitioners assert in their Petition that this Court should correct the Federal Circuit's claim construction because it is based on an allegedly erroneous factual finding that is "Contrary to Scientific Fact" (Pet., pp. 9-13). In presenting this argument, Petitioners depart both from the Rules of this Court (Rule 10, quoted *above)* **and** the express teachings of the intrinsic record of the patent-in-suit, U.S. Patent No. 5,598,066 (Pet., Supplemental Appendix, pp. SA1-SA11)("the '066 Patent"). As "authority" for its argument, Petitioners quote from the discredited report of their expert Prof. Massengill (Pet., App. E) as if it contained established and incontrovertible facts. Petitioners' argument ignores the fact that the Federal Circuit's Opinion *rejected* Prof. Massengill's report and opinion because it was based on disfavored *extrinsic* evidence that was contrary to the *intrinsic* teachings in the Specification of the '066 Patent. (Pet., App. A, pp. 11a, 13a).

The premise of Petitioners "scientific fact" argument is the facile assertion that "PIRs [passive infrared sensors] do not detect motion" (Pet., p. 9). However, the '066 Patent teaches no fewer than four times that PIRs Q1 and Q2 **do** detect motion ('066 Patent, Abstract; Col. 4, Line 7-8; Col.

6, Line 3; Col. 6, Lines 34-35). The '066 Patent also explains that PIR sensors Q1 and Q2 "are each responsive to infrared light produced by sources external" to the security lamp (Col. 3, Lines 26-28). Thus, a person skilled in the art of security lighting (which Prof. Massengill is not) when reading the '066 Patent would understand that because a PIR was responsive to infrared energy produced by sources external to the device, a PIR could, can and does "detect motion."

Further, Federal Circuit jurisprudence expresses a strong preference that claim terms of a patent be construed based on intrinsic evidence from the patent-in-suit. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1317 (Fed. Cir. 2005) (en *banc*), cert. denied, 546 U.S. 1170 (2006). Thus, because the '066 Patent's intrinsic evidence teaches that PIRs do detect motion, and because Petitioners' argument is based on expert opinion based on disfavored extrinsic evidence that in turn is contrary to the preferred intrinsic record of the '066 Patent, Petitioners' argument is based on a "misapplication of a properly stated[1] rule of law" contrary to Supreme Court Rule 10.

For the additional reasons enunciated in Supreme Court Rule 10, Petitioner's Petition for Writ of Certiorari should be denied.

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1. Below, DESA properly stated the *Phillips* rule of law with respect to the preference of intrinsic over extrinsic evidence to interpret a patent claim term. *See* DESA's opening Brief to the Federal Circuit, page 51.

CONCLUSION

For the reasons stated in this Opposition, Petitioners' Petition for a Writ of Certiorari should be rejected and denied.

Respectfully submitted

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